

## AGENDA BILL APPROVAL FORM

<b>Agenda Subject:</b> Resolution No. 4501		<b>Date:</b> August 11, 2009
<b>Department:</b> Administration/Finance	<b>Attachments:</b> Resolution No. 4501 & Exhibits "A" & "B"	<b>Budget Impact:</b>
<b>Administrative Recommendation:</b>  City Council adopt Resolution No. 4501.		
<b>Background Summary:</b>  Resolution No. 4501 authorizes the Mayor, or his designee, to accept the invitation offered by the U.S. Economic Development Administration and apply for the \$3,000,000 EDA grant which will be used to assist in the funding of the Promenade capital improvement project for the downtown revitalization catalyst area. The current date for applying to the U.S. Economic Development Administration for the EDA grant has been extended to August 31.		
<b>Reviewed by Council &amp; Committees:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Arts Commission  <input type="checkbox"/> Airport  <input type="checkbox"/> Hearing Examiner  <input type="checkbox"/> Human Services  <input type="checkbox"/> Park Board  <input type="checkbox"/> Planning Comm.         </div> <div style="width: 45%;"> <b>COUNCIL COMMITTEES:</b>  <input checked="" type="checkbox"/> Finance  <input type="checkbox"/> Municipal Serv.  <input type="checkbox"/> Planning &amp; CD  <input checked="" type="checkbox"/> Public Works  <input type="checkbox"/> Other _____         </div> </div>		<b>Reviewed by Departments &amp; Divisions:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Building  <input type="checkbox"/> Cemetery  <input checked="" type="checkbox"/> Finance  <input type="checkbox"/> Fire  <input checked="" type="checkbox"/> Legal  <input type="checkbox"/> Public Works  <input type="checkbox"/> Information Services         </div> <div style="width: 45%;"> <input type="checkbox"/> M&amp;O  <input type="checkbox"/> Mayor  <input type="checkbox"/> Parks  <input type="checkbox"/> Planning  <input type="checkbox"/> Police  <input type="checkbox"/> Human Resources         </div> </div>
<b>Action:</b> Committee Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No Council Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No Referred to _____ Until ____/____/____ Tabled _____ Until ____/____/____ <div style="text-align: right;">Call for Public Hearing ____/____/____</div>		
<b>Councilmember:</b> Backus		<b>Staff:</b> Coleman
<b>Meeting Date:</b> August 17, 2009		<b>Item Number:</b> VIII.B.1

**RESOLUTION NO. 4 5 0 1**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN,  
WASHINGTON, AUTHORIZING THE MAYOR TO SUBMIT AN  
APPLICATION TO THE U.S. ECONOMIC DEVELOPMENT  
ADMINISTRATION FOR A PUBLIC WORKS AND ECONOMIC  
DEVELOPMENT GRANT

WHEREAS, in an effort to encourage additional downtown redevelopment and growth of downtown amenities, the City of Auburn desire to pursue the construction of a promenade capital improvement project along South Division Street that would connect City Hall and the four block downtown revitalization catalyst area for urban living; and

WHEREAS, the City has prepared conceptual plans for an \$8,000,000 promenade project that consists of the reconstruction of South Division Street including three blocks of roadway pavement, crosswalks, sidewalks, pedestrian & street lighting, water/storm/sewer utility improvements and landscaping; and

WHEREAS, the City applied to the U.S. Economic Development Administration (EDA) for a Public Works and Economic Development grant to provide funding assistance for the construction of the promenade capital improvement project; and

WHEREAS, on June 2, 2009, the City was provided by the EDA with a formal invitation to apply for a Public Works and Economic Development Grant in the amount of \$3,000,000; and

WHEREAS, the City is required to provide a local match share toward the total project cost in the amount of \$5,000,000; and

WHEREAS, the City intends to fund the local match by securing funds through the issuance of General Obligation Bonds with repayment of such general obligation

debt through Local Revitalization Funds and revenues generated from the collection of real estate excise taxes (Exhibit "A"); and

WHEREAS, the City Council will amend the City's Annual Budget dependent upon a grant award and the City's ability to fund required matches;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

**Section 1.** **Purpose.** The Mayor or his designee is authorized to accept the invitation offered by the U.S. Economic Development Administration (Exhibit "B") and apply for the \$3,000,000 EDA grant and, as necessary, to prepare amendments to the Annual Budget as the grant is secured and matching funds are identified within the existing Budget or where new budget is appropriated.

**Section 2.** **Implementation.** The Mayor of the City of Auburn is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this Resolution.

**Section 3.** **Effective Date.** This Resolution shall take effect and be in full force upon passage and signatures hereon.

DATED and SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2009.

CITY OF AUBURN

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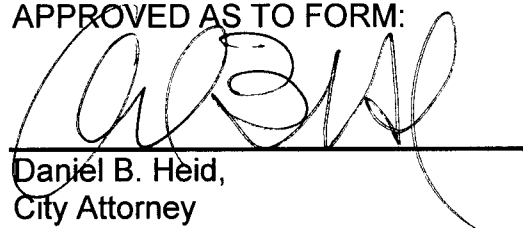
PETER B. LEWIS,  
MAYOR

ATTEST:

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Danielle E. Daskam,  
City Clerk

APPROVED AS TO FORM:



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Daniel B. Heid,  
City Attorney

		Exhibit "A"
<b><u>Promenade Project (Downtown Redevelopment) Budget</u></b>		
<b><u>Expenditures</u></b>		
<b><u>Items</u></b>		<b><u>Amount</u></b>
Property Acquisition		1,500,000
Promenade Capital Improvement:s		8,000,000
Administrative Expenses (includes any right-of-way acquisitions)	550,000	
Archectural/Engineering Expenses (Design/Construction)	830,000	
Construction - transportation, utilities	5,512,000	
Contingency	1,103,000	
<b>Total</b>		<b>9,500,000</b>
<b><u>Revenues</u></b>		
<b><u>Items</u></b>		<b><u>Amount</u></b>
Cummulative Reserve Funds		1,500,000
EDA Grant		3,000,000
Utility Funds (sewer, water, storm)		N/A
General Obligation Debt		5,000,000
<b>Total</b>		<b>9,500,000</b>
<b><u>Notes:</u></b>		
1) <u>Debt Service - G.O. Debt:</u>		
Annual payment: \$5 million debt - 25 year @5.5%	500,000	
Payment source: Local Revitization Funding (City match LRF grant at 50%)	250,000	
REET 2/Increased City Revenues w/in "RA"	<u>125,000</u>	
	375,000	
2) <u>Match Formula:</u>		
Balance of City (annual - \$125,000)		
EDA grant: amortized @\$125,000 x 24 years = \$3,000,000		
3) <u>Potential City Funding Liability for Downtown Redevelopment:</u>		
Downtown Revitization area transportation impact fees - est. \$3.2 million		
Utility infrastructure improvement costs - est. \$800,000		
4) <u>Utilities Funds (sewer, water, storm)</u>		
A percentage of the cost to be funded by the utilities in under review by staff and Administration and will presented to City Council for policy direction		
Prepared: 8/12/2009		

## Exhibit "B"



**U. S. DEPARTMENT OF COMMERCE**  
Economic Development Administration  
915 Second Avenue, Room 1890  
Seattle, WA 98174  
Fax: 206.220.7669  
Voice: 206.220.7660  
Phone: (206) 220-7660

June 2, 2009

The Honorable Peter Lewis  
Mayor, City of Auburn  
25 West Main Street  
Auburn, Washington 98001

Dear Mayor Lewis:

This letter is a formal invitation to submit an application to the Economic Development Administration (EDA) for a Public Works and Economic Development Grant. This application is authorized under Title II, Section 201 of the Public Works and Economic Development Act, as amended by the Economic Development Administration Reauthorization Act of 2004, Public Law 108-373. The EDA grant would assist the funding of your project to construct infrastructure improvements as identified in the Investment Summary to revitalize the downtown corridor of the City.

The City of Auburn is authorized to request a \$3,000,000 EDA grant, which is 38 percent of the total estimated project cost of \$8,000,000. The City's local matching share is \$5,000,000. The City's grant request is being considered as a back-up for funding in fiscal year 2009.

An application will be e-mailed to you; save it to your desktop, and when complete, mail an original and one copy to your Project Officer, JoAnn Smith at the above address. **The application is due on or before June 19, 2009.** If there is a delay in submitting any exhibits, please list the missing exhibits in your application transmittal letter. Also copies of the Environmental Narrative and M3 Engineering Report, responses to items 1-8, should be e-mailed to Ms. Smith at [jsmith33@eda.doc.gov](mailto:jsmith33@eda.doc.gov). You also may reach Ms. Smith at (206) 220-7689 to answer your questions. Ms. Smith will conduct a review of your application and notify you of any deficiencies identified.

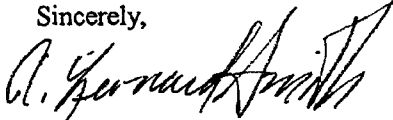
The Seattle Regional Office has limited annual authority to invite public works grant applications. If clearing deficiencies takes an unusual amount of time or the applicant is non-responsive to questions, EDA will suspend processing of your project proposal. Subsequently the application may be officially denied and returned to you if deficiencies persist, so EDA can consider other proposals.

The Honorable Peter Lewis  
Mayor, City of Auburn, Washington

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This invitation to submit an application is by no means an indication that EDA will approve your application. Such approval is contingent upon many factors, including, but not limited to, the availability of funding for FY 2009, and meeting all appropriate statutory, regulatory and policy requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Leonard Smith". The signature is fluid and cursive, with a large, stylized "S" at the end.

A. Leonard Smith  
Regional Director

Copy: Jacob Macias, EDR